

# Realty Trust Review

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## ANNUAL INVESTMENT REVIEW ISSUE

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## 1974 OUTLOOK: LONG-TERM INVESTMENT RECORD FAVORS RECOVERY

The year 1973 was a near-wipeout for REIT investors but the year-end panic selling already shows signs of lifting and a recovery for 1974 appears favorable. The year ended with only six REITs managing a positive total return (dividends plus price change) for the year, vs. 121 trusts with losses for the year. The average REIT declined 37.5% in price last year and after adding back an average 8.7% dividend yield based on the closing price in the previous year, all REITs declined an average 28.8%.

This is not a pretty record but not much worse than the major averages. The Dow-Jones Industrials fell 16.6%, Standard & Poor's 500 Stock Index was off even more at 17.4%, and the New York Stock Exchange Composite Index fell 19.6%. Since industrial securities pay far lower dividends than REITs, the underperformance of REITs was narrowed considerably. The relative price performance:

Group	-----% Price Change-----				-----% Dividend----				-----% Combined Return----			
	'70	'71	'72	'73	'70	'71	'72	'73	'70	'71	'72	'73
Equity	- 2.8	+10.4	+ 3.6	-31.8	7.0	8.5	8.2	8.5	+ 4.2	+18.9	+11.8	-23.3
ST Mtg.	+20.4	+28.8	+13.0	-40.6	9.5	10.3	9.3	9.0	+29.9	+39.1	+22.3	-31.7
LT Mtg.	- 5.3	+30.6	+ 5.5	-39.4	6.9	8.8	7.9	8.6	+ 1.7	+39.4	+13.4	-30.9
Avg. All REIT	+10.4	+23.9	+ 8.6	-37.5	8.4	9.5	8.7	8.7	+18.9	+33.4	+17.2	-28.8
DJ Indus.	+ 4.8	+ 6.1	+14.6	-16.6	4.1	3.5	3.3	3.6	+ 8.9	+ 9.6	+17.9	-13.0
S&P 500 Index	0.0	+10.8	+15.6	-17.4	3.8	3.1	2.9	3.0	+ 3.9	+13.9	+18.5	-14.3

We believe realty trust investors should assess the 1973 record in the context of the longer-term investment results obtained from REIT shares, and to this end we are devoting the major portion of this issue to the most detailed statistical review of investment results from REITs ever assembled and published. This investment record, which begins on page 2, shows five facts for each REIT: year-end closing prices from 1969 through 1973; dividends paid during each calendar year; the percentage price change; the percentage dividend received on the closing price of the previous year; and the total or combined return from each REIT for each year.

We have developed this record to aid investors in focusing on longer-term REIT investing, and we have conformed all trusts to the calendar year to avoid (cont'd on page 8)

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## FOUR YEAR INVESTMENT RECORD-EQUITY TRUSTS

-----Closing prices-----					-----Dividends paid-----				Trust
1969	1970	1971	1972	1973	1970	1971	1972	1973	
8.13	8.13	8.50	9.38	8.13	0.60	0.85	0.88	1.10	American Realty.....
--	16.50	14.00	15.75	8.25	--	--	1.55	1.74	Arlen Properties.....
--	--	10.00	8.88c	4.38	--	--	--	0.80	Berg Ent. Realty.....
--	20.00	27.00	29.88	26.00	--	0.85	2.12	2.45	Cabot, C&F Land.....
--	--	25.00	19.88	8.50	--	--	0.49	1.30	C.I. Realty.....
--	--	20.00	16.25	12.00	--	--	1.02	1.62	Citizens Growth.....
--	25.00	28.38	21.25	11.25	--	--	1.22	1.43	Cont. Ill. Properties.....
9.75	8.75	8.50	8.75	6.63	0.75	0.70	0.60	0.60	Denver REI.....
15.00	15.00	14.25	7.88	4.50	0.42	1.20	0.90	0.63	First Fidelity.....
10.50	11.13	11.75	12.50	10.38	0.85	0.88	0.90	0.94	First Union RE.....
--	--	10.00	7.13	6.75	--	--	0.16	0.84	Flatley Realty.....
--	--	--	20.00	13.00	--	--	--	0.78	Florida Gulf.....
8.38	9.75	9.25	8.50	4.38	0.73	0.76	0.76	0.62	Franklin Realty.....
6.88a	10.38a	18.25a	21.50	14.75	0.10	0.45	0.69	0.91	General Growth Prop.....
11.00	7.75c	9.25	10.75	7.50	0.345	1.035	1.20	1.20	GIT Realty.....
9.00b	5.00	6.88	8.75	7.75	0.00	0.54	0.76	0.895	Gould Invest.....
18.50	18.25	18.50	18.13	8.00	1.575	1.60	1.60	1.00	GREIT Realty.....
22.83	22.13	21.00	20.00	17.13	1.42	1.46	1.49	1.55	Hubbard REI.....
--	23.00	22.75	21.75	15.25	--	--	1.70	1.91	ICM Realty.....
--	--	20.00	23.00	12.75	--	--	0.30	1.65	Indiana M&R.....
--	15.00	14.00	15.38	10.63	--	0.39	1.24	1.41	Investors Realty.....
--	--	20.00	18.88	12.00	--	--	0.00	1.80	JMB Realty.....
10.00	7.75	8.88	9.75	3.38	0.31	0.85	0.95	0.82	Lincoln Mtg. Inv.....
--	--	20.00	17.75	11.00	--	--	0.99	1.35	Miller (Henry S.).....
3.50	2.00	2.50	2.63	1.25	0.15	0.105	0.18	0.125	Mutual REIT.....
--	--	15.63	15.00	12.25	--	--	0.42	1.68	New Plan Realty.....
--	20.00	18.63	21.88	10.75	--	--	1.11	2.35	NJB Prime Inv.....
--	--	11.00	11.50c	5.25	--	--	0.80	1.02	North. State Mtg.....
--	--	20.00	17.63	10.13	--	--	--	1.19	Pease & Ell. Realty.....
10.50	11.25	12.63	13.13	12.00	0.80	0.85	0.90	1.05	Penn. REIT.....
--	21.00	22.88	25.00	11.50	--	0.66	1.65	1.81	Property Capital Trust....
19.63	23.88	23.50	17.63	15.75	1.51	1.61	1.48	1.40	REIT of Amer.....
17.32	12.13	14.75	12.63	13.00	1.22	1.62	1.25	1.66	Realty Income Tr.....
7.75	7.50	8.50	9.75c	9.25	0.88	0.88	0.88	0.96	Riviere Realty.....
13.00	18.13	22.00	22.38	11.13	1.14	1.25	1.42	1.55	Saul (B.F.) REIT.....
11.00	11.00	12.25	13.00	11.25	1.00	1.00	1.10	1.20a	Summit Properties.....
--	--	20.00	30.38	22.50	--	--	0.85	2.37	U.S. BanTrust.....
25.00	24.00	21.50	19.38	12.63	--	1.05	1.69	1.78	U.S. Leasing REI.....
14.70a	14.30a	15.10a	15.00	10.38	1.20a	1.26a	1.34	1.36	U.S. Realty Investor.....
--	--	20.00	16.50c	10.50	--	--	0.22	1.58	Walter (Jim) Inv.....
11.50	10.75	11.00	13.88	14.75	0.82	0.96	0.98	1.12	Washington REIT.....
10.13	10.75	9.25	12.50	7.00	0.83	0.83	0.90	0.90	Wisconsin REIT.....
EQUITY GROUP AVGS.....									

ABOUT THIS TABLE: All data are based on prices and dividends paid (determined by ex dividend dates) in calendar years. Partial years following initial offerings are shown in italics and are not included in group averages. The offering price, ignoring warrants, is shown in the preceding year's column. For example, Arlen Properties' offering price during 1971 is shown under the "1970" column above and price change and dividends calculated from offering date to year-end. Dividend yield is based upon the closing price in the previous year.



## FOUR YEAR INVESTMENT RECORD-EQUITY TRUSTS

-----% Price Change-----				---% Dividend Yield*---				-----% Total Return-----			
1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
0.0	+ 4.6	+10.4%	-13.3%	7.4	10.5	10.4	11.7	+ 7.4	+15.1	+20.8	- 1.6
--	-15.6	+12.5	-47.6	--	--	11.1	11.0	--	-15.6	+23.6	-36.6
--	--	-11.2	-50.7	--	--	--	9.0	--	--	-11.2	-41.7
--	+35.0	+10.7	-13.0	--	4.3	7.8	8.2	--	+39.3%	+18.5	- 4.8
--	--	-20.5	-57.2	--	--	2.0	6.5	--	--	-18.5	-50.7
--	--	-18.8	-26.2	--	--	5.1	10.0	--	--	-13.7	-16.2
--	+13.5	-25.1	-47.1	--	--	4.3	6.7	--	+13.5	-20.8	-40.4
-10.3	- 2.9	+ 2.9	-24.3	7.7	8.0	7.1	6.9	- 2.6	+ 5.1	+10.0	-17.4
0.0	- 5.0	-44.7	-42.9	2.8	8.0	6.3	8.0	+ 2.8	+ 3.0	-38.4	-34.9
+ 6.0	+ 5.6	+ 6.4	-17.0	8.1	7.9	7.7	7.5	+14.1	+13.5	+14.1	- 9.5
--	--	-28.9	- 5.3	--	--	1.6	11.8	--	--	-27.3	+ 6.5
--	--	--	-35.0	--	--	--	3.9	--	--	--	-31.1
+16.3	- 5.1	- 8.1	-48.6	8.7	7.8	8.2	7.3	+25.0	+ 2.7	+ 0.1	-41.3
+50.9	+75.9	+17.8	-31.4	1.5	4.3	3.8	4.2	+52.4	+80.2	+21.6	-27.2
-29.5	+19.4	+16.2	-30.2	3.1	13.4	13.0	11.2	-26.4	+32.8	+29.2	-19.0
-44.4b	+37.4	+27.2	-11.4	0.0	10.8	11.0	10.0	-44.4b	+48.4	+38.2	- 1.4
- 1.4	+ 1.4	- 2.0	-55.9	8.5	8.8	8.6	5.5	+ 7.1	+10.2	+ 6.6	-50.4
- 3.1	- 5.1	- 4.8	-14.4	6.2	6.6	7.1	7.8	+ 3.1	+ 1.5	+ 2.3	- 6.6
--	- 1.1	- 4.4	-29.9	--	--	7.5	8.8	--	- 1.1	+ 3.1	-21.1
--	--	+15.0	-44.6	--	--	1.5	7.2	--	--	+16.5	-37.4
--	- 6.7	+ 9.9	-30.9	--	2.6	8.9	9.2	--	- 4.1	+18.8	-21.7
--	--	- 5.6	-36.4	--	--	--	9.5	--	--	- 5.6	-26.9
-22.5	+14.6	+ 9.8	-65.3	3.1	11.0	10.7	8.4	-19.4	+25.6	+20.5	-56.9
--	--	-11.3	-38.0	--	--	5.0	7.6	--	--	- 6.3	-30.4
-42.9	+25.0	+ 5.2	-52.5	4.3	5.3	7.2	4.8	-38.6	+30.3	+12.4	-47.7
--	--	- 4.0	-18.3	--	--	2.7	11.2	--	--	- 1.3	- 7.1
--	- 6.9	+17.4	-50.9	--	--	6.0	10.7	--	- 6.9	+23.4	-40.2
--	--	+ 4.5	-54.3	--	--	7.3	8.9	--	--	+11.8	-45.4
--	--	-11.8	-42.5	--	--	--	6.7	--	--	-11.8	-35.8
+ 7.1	+12.3	+ 4.0	- 8.6	7.6	7.6	7.1	8.0	+14.7	+19.9	+11.1	- 0.6
--	+ 9.0	+ 9.3	-54.0	--	3.1	7.2	7.2	--	+12.1	+16.5	-46.8
21.7	- 1.6	-25.0	-10.7	7.7	6.7	6.3	7.9	+29.4	+ 5.1	-18.7	- 2.8
-30.0	+21.6	-14.4	+ 2.9	7.0	13.4	8.5	13.1	-23.0	+35.0	- 5.9	+16.0
- 3.2	+13.3	+14.7	- 5.1	11.4	11.7	10.4	9.8	+ 8.2	+25.0	+25.1	+ 4.7
+39.5	+21.3	+ 1.7	-50.3	8.8	6.9	6.5	6.9	+48.3	+28.2	+ 8.2	-43.4
0.0	+11.4	+ 6.1	-13.5	9.1	9.1	9.0	9.2	+ 9.1	+20.5	+15.1	- 4.3
--	--	+51.9	-25.9	--	--	4.3	7.8	--	--	+56.2	-18.1
- 4.0	-10.4	- 9.9	-34.8	--	4.4	7.9	9.2	- 4.0	- 6.0	- 2.0	-25.6
- 2.7	+ 5.6	- 0.7	-30.9	8.2	8.8	8.9	9.1	+ 5.5	+14.4	+ 8.2	-21.8
--	--	-17.5	-36.4	--	--	1.1	9.6	--	--	-16.4	-26.8
- 6.5	+ 2.3	+26.2	+ 6.3	7.1	8.9	8.9	8.1	+ 0.6	+11.2	+35.1	+14.4
+ 6.1	-14.0	+35.1	-44.0	8.2	7.7	9.7	7.2	+14.3	- 6.3	+44.8	-36.8
- 2.8%	+10.4%	+ 3.6%	-31.8%	7.0%	8.5%	8.2%	8.5%	+ 4.2%	+18.9%	+11.8%	-23.3%

NOTES: a-Adjusted for splits: General Growth, 2-for-1 in 1972; U.S. Realty, 5-for-4 in 1972; Great American Mtg., 2-for-1, 1971. b-For Gould Enterprises, an operating company converted to REIT status. c-Prices from Realty Trust Review. e-Last price before trading suspended by ASE, September 1973. f-When issued price for shares trading in units.

## FOUR YEAR INVESTMENT RECORD-SHORT-TERM MTG.

-----Last Price-----					-----Dividend-----				Trust
1969	1970	1971	1972	1973	1970	1971	1972	1973	
19.25	21.75	25.75	24.38	9.13	1.77	2.20	2.32	2.19	American Century Mtg.....
25.00	23.50	25.75	30.00	22.75	1.68	2.51	2.66	2.77	American Fletcher Mtg.....
24.75	27.00	24.13	21.75	6.63e	2.52	2.40	2.40	0.90	Associated Mtg. Inv.....
10.00	15.25	22.25	21.63	11.25	1.18	2.00	2.28	2.00	Atico Mtg.....
--	20.00	17.75	21.63	13.13	--	0.30	1.77	2.01	Baird & Warner Mtg.....
--	--	20.00	18.00f	11.50	--	--	--	1.15	Barnes Mtg.....
20.00	19.50	28.88	29.00	21.75	0.55	2.16	2.51	2.66	Barnett Mtg.....
20.00	16.25	24.50	27.25	17.75	0.40	2.00	2.53	2.82	Benef. Std. Mtg.....
--	25.00	20.13	31.38	23.63	--	--	1.63	3.97	Builders Inv. Group.....
18.13	21.75	32.13	31.25	11.63	1.54	2.42	2.76	2.53	Cameron-Brown Inv.....
14.88	18.13	30.88	28.13	15.88	1.10	2.15	2.45	2.57	Capital Mtg.....
--	--	20.00	17.13	17.25	--	--	0.66	1.87	Central Mtg.....
25.00	32.13	54.25	64.75	39.88	0.91	3.19	4.78	4.71	Chase Man. Trust.....
14.75	17.00	23.25	23.88	10.88	1.26	2.02	2.48	2.00	C.I. Mtg. Group.....
20.00	16.50c	18.75	17.00	9.25	0.65	1.75	1.75	1.50	Citinationl Dev.....
20.00	25.38	31.88	36.38	29.38	--	1.83	2.51	3.03	Citizens & So. Realty.....
11.50	11.50	14.25	17.88	12.88	1.02	1.34	1.52	1.84	Citizens Mtg.....
14.33	21.25	28.38	32.13	20.13	1.21	2.34	2.81	3.07	Colwell Mtg.....
17.25	22.63	32.88	24.00	13.75	1.65	2.39	2.07	1.77	Continental Ill. Rlty.....
21.00a	19.25	14.38	12.88	7.00	0.85	1.14	1.12	1.07	Continental Mtg.....
--	12.00	8.75	19.00	14.50	--	0.32	1.56	1.52	Dominion Mtg. & Rl.....
17.13	21.00	23.75	34.63	6.88	2.11	2.22	2.98	2.62	Fidelity Mtg. Inv.....
--	--	--	25.00	15.50	--	--	--	1.08	First Commerce Mtg.....
--	--	10.00	13.50	8.13	--	--	0.76	1.27	First Contl. RE.....
20.00	16.25	19.13	24.00	18.00	--	1.43	1.88	2.25	First of Denver Mtg.....
22.13	24.13	25.25	26.38	8.50	1.71	2.23	2.25	2.04	First Mortgage Inv.....
20.00	19.13	27.00	25.25	12.63	0.36	1.92	2.11	2.06	First Penn. Mtg.....
--	25.00	24.88	41.25	22.88	--	--	1.86	4.12	First Wiscon. Mtg.....
18.63	26.63	29.50	22.75	10.25	2.11	2.46	2.34	1.92	Fraser Mtg.....
24.25	29.00	28.75	29.88	8.00	2.12	2.51	2.58	1.99	Galbreath Mtg.....
11.38a	20.75a	29.75	37.13	30.00	1.26	1.62	2.67	3.39	Grt. Amer. Mtg.....
25.00	28.75	41.00	45.50	25.00	2.93	3.29	4.20	4.17	Guardian Mtg.....
--	20.00	14.75	23.50	11.50	--	--	1.45	2.35	Gulf So. Mtg.....
--	--	20.00	21.75	13.75	--	--	0.30	2.03	Hanover Sq. Rl.....
--	20.00	15.25	19.25	13.00	--	0.20	1.44	2.06	Hamilton Inv.....
--	10.00	13.25	14.50	10.38	--	0.44	1.15	1.53	Heitman Mtg.....
--	--	25.00	24.25	26.88	--	--	1.28	2.53	IDS Realty.....
--	25.00	22.25	25.88	7.25	--	0.45	2.41	2.78	Independence Mtg.....
--	--	20.00	26.25	22.13	--	--	1.02	2.55	Justice Mtg.....
--	15.00	11.25	11.00	7.25	--	--	0.55	1.29	KMC Mtg.....
15.88	18.50	29.38	31.25	14.25	1.58	2.21	2.62	2.70	Larwin Mtg.....
22.75	29.50	40.63	51.63	31.00	2.77	3.27	3.90	3.80	Lomas & Net. Mtg.....
11.00	9.50	11.50	12.50	6.50	0.25	1.12	1.14	1.17	M&T Mtg.....
11.25	12.00	13.63	17.63	11.63	1.34	1.47	1.63	1.72	Midland Mtg.....
15.00	12.00	16.63	18.25	13.13	0.60	1.28	1.538	1.66	Mtg. Inv. Wash.....



## FOUR YEAR INVESTMENT RECORD—SHORT TERM MTG.

-----% Price Change-----				-----% Dividend-----				-----% Total Return-----			
1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
+13.0	+18.4	- 5.3	-62.6	9.2	10.1	9.0	9.0	+22.2	+28.5	+ 3.7	-53.6
- 6.0	+11.0	+16.5	-24.2	6.7	10.7	10.3	9.2	+ 0.7	+21.7	+26.8	-15.0
+ 9.1	-10.6	- 9.9	-69.5	10.2	8.9	9.9	4.1	+19.3	- 1.7	0.0	-65.4
+52.5	+45.9	- 2.8	-48.0	11.8	13.1	10.2	9.2	+64.3	+59.0	+ 7.4	-38.8
--	-13.8	+21.9	-39.3	--	1.5	10.0	9.3	--	-12.3	+31.9	-30.0
--	--	-10.0	-36.1	--	--	--	6.4	--	--	-10.0	-29.7
- 2.5	+48.1	+ 0.4	-25.0	2.8	11.1	8.7	9.2	+ 0.3	+59.2	+ 9.1	-15.8
-18.8	+50.8	+13.3	-34.9	2.0	12.3	10.3	10.3	-16.8	+63.1	+23.6	-24.6
--	-19.5	+55.9	-24.7	--	--	8.1	12.7	--	-19.5	+64.0	-12.0
+20.0	+47.7	- 2.7	-62.8	8.5	11.1	8.6	8.1	+28.5	+58.8	+ 5.9	-54.7
+21.8	+70.3	- 8.9	-43.5	7.4	11.8	7.9	9.1	+29.2	+82.1	- 1.0	-34.4
--	--	-14.4	+ 0.7	--	--	3.3	10.9	--	--	-11.1	+11.6
+28.5	+68.8	+19.4	-38.4	3.6	9.9	8.8	7.3	+32.1	+78.7	+28.2	-31.1
+15.3	+36.8	+ 2.7	-54.4	8.5	11.9	10.7	8.4	+23.8	+48.7	+13.4	-46.0
-17.5	+13.6	- 9.3	-45.6	3.3	10.6	9.3	8.8	-14.2	+24.2	0.0	-36.8
+26.9	+25.6	+14.1	-19.2	--	7.2	7.9	8.3	+26.9	+32.8	+22.0	-10.9
0.0	+23.9	+25.5	-28.0	8.9	11.7	10.7	10.3	+ 8.9	+35.6	+36.2	-17.7
+48.3	+33.6	+13.2	-37.3	8.4	11.0	9.9	9.6	+56.7	+44.6	+23.1	-27.7
+31.2	+45.3	-27.0	-42.7	9.6	10.6	6.3	7.4	+40.8	+55.9	-20.7	-35.3
- 8.3	-25.3	-10.4	-45.7	4.0	5.9	7.8	8.3	- 4.3	-19.4	- 2.6	-37.4
--	-27.1	+117.1	-23.7	--	2.7	17.8	8.0	--	-24.4	+134.9	-15.7
+22.6	+13.1	+45.8	-80.1	12.3	10.6	12.5	7.6	+34.9	+23.7	+58.3	-72.5
--	--	--	-38.0	--	--	--	4.3	--	--	--	-33.7
--	--	+35.0	-39.8	--	--	7.6	9.4	--	--	+42.6	-30.4
-18.8	+17.7	+25.5	-25.0	--	8.8	9.8	9.4	-18.8	+26.5	+35.3	-15.6
+ 9.0	+ 4.6	+ 4.5	-67.8	7.7	9.2	8.9	7.7	+16.7	+13.8	+13.4	-60.1
- 4.4	+41.1	- 6.5	-50.0	1.8	10.0	7.8	8.2	- 2.6	+51.1	+ 1.3	-41.8
--	- 0.5	+65.8	-44.5	--	--	7.5	10.0	--	- 0.5	+73.3	-34.5
+42.9	+10.8	-22.9	-54.9	11.3	9.2	7.9	8.4	+54.2	+20.0	-15.0	-46.5
+19.6	- 0.9	+ 3.9	-73.2	8.7	8.7	9.0	6.7	+28.3	+ 7.8	+12.9	-66.5
+82.3	+43.4	+24.8	-19.2	11.1	7.8	9.0	9.1	+93.4	+51.2	+33.8	-10.1
+15.0	+42.6	+11.0	-45.1	11.7	11.4	10.2	9.2	+26.7	+54.0	+21.2	-35.9
--	-26.3	+59.3	-51.1	--	--	9.8	10.0	--	-26.3	+69.1	-41.1
--	--	+ 8.8	-36.8	--	--	1.5	9.3	--	--	+10.3	-27.5
--	-23.8	+26.2	-32.5	--	1.0	9.4	10.7	--	-22.8	+35.6	-21.8
--	+32.5	+ 9.4	-28.4	--	4.4	8.7	10.6	--	+36.9	+18.1	-17.8
--	--	- 0.3	+10.8	--	--	5.1	10.4	--	--	+ 4.8	+21.2
--	-11.0	+16.3	-72.0	--	1.8	10.8	10.7	--	- 9.2	+27.1	-61.3
--	--	+31.3	-15.7	--	--	5.1	9.7	--	--	+36.4	- 6.0
--	-25.0	- 2.2	-34.1	--	--	4.9	11.7	--	-25.0	+ 2.7	-22.4
+16.5	+58.8	+ 6.4	-54.4	9.9	11.9	8.9	8.6	+26.4	+70.7	+15.3	-45.8
+29.7	+37.7	+27.1	-40.0	12.2	11.1	9.6	7.4	+41.9	+48.8	+36.7	-32.6
-13.6	+21.1	+ 8.7	-48.0	2.3	11.8	9.9	9.4	-11.3	+32.9	+18.6	-38.6
+ 6.7	+13.6	+29.3	-34.0	11.9	12.3	12.0	9.8	+18.6	+25.9	+41.3	-24.2
-20.0	+38.6	+ 9.7	-28.1	4.0	10.7	9.2	9.1	-16.0	+49.3	+18.9	-19.0

(19) 29

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(29)

## -----Last Price-----

					Dividend				
1969	1970	1971	1972	1973	1970	1971	1972	1973	Trust
16.63	19.38	24.00	23.00	8.00	1.77	2.23	2.25	1.55	Mtg. Tr. Amer.....
8.33	11.00	13.38	14.38	10.63	1.08	1.30	1.405	1.48	National Mtg.....
23.63	24.50	33.13	34.50	20.50	1.79	2.16	2.45	2.51	No. Amer. Mtg.....
11.94	13.00a	16.88	17.00	6.00	0.95	1.40	1.50	1.76	Palomar Mtg.....
16.50	17.75	18.75	18.38	11.75	1.65	1.80	1.85	1.80	Republic Mtg.....
15.50	15.75	21.00	18.13	9.88	1.45	1.66	1.77	1.60	Sutro Mtg.....
--	20.00	19.75	20.13	14.88	--	0.30	1.53	2.09	Texas First Mtg.....
--	--	--	20.00	18.75	--	--	--	1.69	TMC Mtg.....
20.00	21.50	28.50	33.88	23.88	--	1.45	2.44	2.92	Tri-South Mtg.....
14.25	18.50	28.38	26.75	12.38	1.01	2.12	2.34	2.37	Unionamerica Mtg.....
20.00	23.75	32.13	33.25	16.75	1.49	2.41	2.63	2.38	Wachovia Rlty.....
20.00	17.50	22.25	28.38	15.00	0.26	1.42	1.86	2.11	Wells Fargo Mtg.....
5.50	5.75	6.25	9.00	7.00	0.48	0.60	0.73	0.87	Western Mtg.....
									S-T GROUP AVGS.....
INTERMEDIATE AND LONG-TERM MORTGAGE									
17.25	17.63	25.88	30.00	17.50	1.67	2.33	2.88	3.02	Alison Mtg.....
--	20.00	16.38	15.38	9.75	--	0.29	1.47	1.81	Atlanta Nat.....
20.00	20.63	26.88	31.63	21.00	0.35	1.75	1.94	2.02	Bank Amer. Rlty.....
--	--	20.00	20.00	15.75	--	--	0.20	1.70	Barnett-Win. Inv.....
12.50a	13.94a	25.50	33.00	18.13	--	1.45	2.27	2.72	BT Mtg.....
--	20.00	20.13	21.00	14.25	--	0.77	1.52	1.76	CleveTrust Rl.....
20.00	24.00	29.00	25.88	17.13	1.04	1.77	1.89	1.86	Conn.Gen. Mtg.....
20.00	19.75	24.00	28.88	20.25	0.30	1.78	2.02	2.40	Cousins M&E.....
30.00	23.75	27.63	29.38	15.25	1.54	2.11	2.73	2.88	Diversified Mtg.....
25.00	27.25	29.25	28.00	21.00	--	1.76	2.03	2.39	Equit. Life Mtg.....
25.00	21.00	36.00	42.25	20.50	--	3.04	3.14	3.17	Fidelco Growth.....
20.00	19.00	23.00	21.00	16.00	--	1.75	1.70	1.98	First Memphis.....
--	--	25.00	23.50	11.25	--	--	0.39	1.99	First Vir. Mtg.....
--	20.00	17.75	20.38	12.38	--	0.70	1.57	1.93	Gulf Mtg. & Rl.....
--	20.00	20.63	24.38	9.50	--	--	1.51	2.10	HNC Mtg. & Rl.....
--	--	25.00	21.13	11.88	--	--	1.08	2.18	Hospital Mtg.....
20.00	23.00	25.50	25.00	12.75	--	1.48	1.98	2.11	Hotel Investor.....
--	--	18.00	18.88	8.75	--	--	0.48	1.45	Inst. Inv. Tr.....
--	20.00	16.63	16.00	9.00	--	--	0.78	1.27	Larwin Rlty.....
20.00	22.00	29.50	28.00	14.13	--	1.50	1.98	1.94	Mass.Mut. Mtg.....
10.00	10.50	13.63	13.88	6.88	0.40	1.01	1.04	0.94	MONY Mtg.....
--	--	18.00	16.00	7.75	--	--	1.18	1.17	Mtg. Growth Inv.....
--	--	20.00	17.00	12.25	--	--	0.76	1.65	Northwestern Fin.....
--	20.00	25.38	26.75	22.25	--	0.91	1.72	1.96	Northwestern Mu.....
12.40	13.83	14.50	14.50	12.75	--	1.10	1.17	1.27	Old Stone Mtg.....
--	--	--	15.00	7.38	--	--	--	0.52	Pacific Southern.....
20.00	17.83	25.38	25.25	17.00	--	1.30	2.09	2.10	PNB Mtg. & Rl.....
--	20.00	18.63	19.88	12.63	--	--	1.41	1.79	Realty Mtg. Pac.....
--	20.00	17.25	21.75	15.75	--	0.32	1.87	2.26	Realty ReFund.....
13.75	14.13	16.75	16.00	5.88	0.82	0.91	1.06	1.22	Security Mtg.....
--	20.00	23.50	26.00	13.38	--	0.71	2.15	2.44	State Mut. Inv.....
L-T MTG. AVGS.....									

L-T MTG. AVGS.....



## FOUR YEAR INVESTMENT RECORD-SHORT TERM MTG.

-----% Price Change-----				-----% Dividend-----				-----% Total Return-----			
1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
+16.5	+23.8	- 4.2	-65.2	10.6	11.5	9.4	6.7	+27.1	+35.3	+ 5.2	-58.5
+32.1	+21.6	+ 7.5	-26.1	13.0	11.8	10.5	10.3	+45.1	+33.4	+18.0	-15.8
+ 3.7	+35.2	+ 4.1	-40.6	7.6	8.8	7.4	7.3	+11.3	+44.0	+11.5	-33.3
+ 8.9	+29.8	+ 0.7	-64.7	8.0	10.8	8.9	10.4	+16.9	+40.6	+ 9.6	-54.3
+ 7.6	+ 5.6	- 2.0	-36.1	7.7	10.1	9.9	9.8	+15.3	+15.7	+ 7.9	-26.3
+ 1.6	+33.3	-13.7	-45.5	9.4	10.5	8.4	8.8	+11.0	+43.8	- 5.3	-36.7
--	- 1.3	+ 1.9	-26.1	--	1.5	7.7	10.4	--	+ 0.2	+ 9.6	-15.7
--	--	--	- 6.3	--	--	--	8.5	--	--	--	+ 2.2
+ 7.5	+32.6	+18.9	-29.5	--	6.7	8.6	8.6	+ 7.5	+39.3	+27.5	-20.9
+29.8	+53.4	- 5.7	-53.7	7.1	11.5	8.2	8.9	+36.9	+64.9	+ 2.5	-44.8
+18.8	+35.3	+ 3.5	-49.6	7.5	10.1	8.2	7.2	+26.3	+45.4	+11.7	-42.4
-12.5	+27.1	+27.6	-47.1	1.3	8.1	8.4	7.4	-11.2	+35.2	+36.0	-39.7
+ 4.5	+ 8.7	+44.0	-22.2	8.7	10.4	11.7	9.7	+13.2	+19.1	+55.7	-12.5
+20.4%	+28.8%	+13.0%	-40.6%	9.5%	10.3%	9.3%	9.0%	+29.9%	+39.1%	+22.3%	-31.7%

## INTERMEDIATE AND LONG-TERM MORTGAGE

+22.2	+46.8	+15.9	-41.7	9.7	13.2	11.1	10.1	+11.9	+60.0	+27.0	-31.6
--	-18.2	- 6.1	-36.6	--	1.5	9.0	11.8	--	-16.7	+ 2.9	-24.8
+ 3.2	+30.3	+17.7	-33.6	1.8	8.5	7.2	6.4	+ 5.0	+38.8	+24.9	-27.2
--	--	0.0	-21.3	--	--	1.0	8.5	--	--	+ 1.0	-12.8
+11.5	+82.9	+29.4	-45.1	--	10.4	8.9	8.2	+11.5	+93.3	+38.3	-36.9
--	+ 0.7	+ 4.3	-32.1	--	3.9	7.6	8.4	--	+ 4.6	+11.9	-23.7
+20.0	+20.8	-10.8	-33.8	5.2	7.4	6.5	7.2	+25.2	+28.2	- 4.3	-26.6
- 1.3	+21.5	+20.3	-29.9	1.5	9.0	8.4	8.3	+ 0.2	+30.5	+28.7	-21.6
-20.8	+16.3	+ 6.3	-48.1	5.1	8.9	9.9	9.8	-15.7	+25.2	+16.2	-38.3
+ 9.0	+ 7.3	- 4.3	-25.0	--	6.5	6.9	8.5	+ 9.0	+13.8	+ 2.6	-16.5
-16.0	+71.4	+17.4	-51.5	--	14.5	8.7	7.5	-16.0	+85.9	+26.1	-44.0
- 5.0	+21.1	- 8.7	-23.8	--	9.2	7.4	9.4	- 5.0	+30.3	- 1.3	-14.4
--	--	- 6.0	-52.1	--	--	1.6	8.5	--	--	- 4.4	-43.6
--	-11.3	+14.8	-39.3	--	3.5	8.8	9.5	--	- 7.8	+23.6	-29.8
--	+ 3.2	+18.2	-61.0	--	--	7.3	8.6	--	+ 3.2	+25.5	-52.4
--	--	-15.5	-43.8	--	--	4.3	10.3	--	--	-11.2	-33.5
+15.0	+10.9	- 2.0	-49.0	--	6.4	7.8	8.4	+15.0	+17.3	+ 5.8	-40.6
--	--	+ 4.9	-53.7	--	--	2.2	7.7	--	--	+ 7.1	-46.0
--	-16.8	- 3.8	-43.8	--	--	4.7	7.9	--	16.8	+ 0.9	-35.9
+10.0	+34.1	- 5.1	-49.6	--	6.8	6.7	6.9	+10.0	+40.9	+ 1.6	-42.7
+ 5.0	+29.8	+ 1.8	-50.4	4.0	9.6	7.6	6.8	+ 9.0	+39.4	+ 9.4	-43.6
--	--	-11.1	-51.6	--	--	6.6	7.3	--	--	- 4.5	-44.3
--	--	-15.0	-27.9	--	--	3.8	9.7	--	--	-11.2	-18.2
--	+26.9	+ 5.4	-16.8	--	4.6	6.8	7.3	--	+31.5	+12.2	- 9.5
+10.6	+ 4.8	0.0	-12.1	--	8.0	8.1	8.8	+10.6	+12.8	+ 8.1	- 3.3
--	--	--	-50.8	--	--	--	3.5	--	--	--	-47.3
-10.8	+42.3	- 0.5	-32.7	--	7.3	8.2	8.3	-10.8	+49.6	+ 7.7	-24.4
--	- 6.9	+ 6.7	-36.5	--	--	7.6	9.0	--	- 6.9	+14.3	-27.5
--	-13.8	+26.1	-27.6	--	1.6	10.8	10.4	--	-12.2	+36.9	-17.2
+ 2.8	+18.5	- 4.5	-63.3	6.0	6.4	6.3	7.6	+ 8.8	+24.9	+ 1.8	-55.7
--	+17.5	+10.6	-48.5	--	3.6	9.1	9.4	--	+21.1	+19.7	-39.1
- 5.3%	+30.6%	+ 5.5%	-39.4%	6.9%	8.8%	7.9%	8.6%	+ 1.7%	+39.4%	+13.4%	-30.9%

the multiple confusions of a patchwork of fiscal years used by REITs. By measuring each trust's results against the same yardstick, we believe we have facilitated the job of comparison so crucial to REIT investing. The trusts are arranged alphabetically in three major groups: equity trusts; short-term mortgage trusts, and intermediate- and long-term mortgage trusts.

These group and industry results make it possible to pinpoint the advantages of investing in these three major groups. The equity trusts have been far less buoyant on the upside over the last four years but during 1973 they were the safest harbor, falling 23.3% on a total return basis. This group is favored for investors seeking relative safety and coverage of dividends and moderate price fluctuations, although some equity trusts can decline drastically in price. The mortgage trusts, both short and long term, are more volatile and tend to move in tandem with short-term interest rates.

Largest gainers and losers based on total return, for the year were:

<u>GAINERS</u>		<u>LOSERS</u>	
IDS Realty	+21.2%	Fidelity Mortgage Investors	-72.5%
Realty Income Trust	+16.0	Galbreath First Mortgage	-66.5
Washington REIT	+14.4	Associated Mortgage Inv.	-65.4
Central Mortgage	+11.6	Independence Mortgage Trust	-61.3
Flatley Realty	+ 6.5	First Mortgage Investors	-60.1
Riviere Realty	+ 4.7	Mtg. Trust of America	-58.5
Pennsylvania REIT	- 0.6	Lincoln Mortgage Inv.	-56.9
Gould Investors	- 1.4	Security Mortgage Inv.	-55.7
Amer. Realty Trust	- 1.6	Cameron-Brown Inv. Group	-54.7
REIT of America	- 2.8	Palomar Mortgage Inv.	-54.3

In addition to the ten largest gainers above, 13 other trusts provided better total return than the -14.3% of the S&P 500, as follows: Old Stone Mtg., -3.3%; Summit Properties, -4.3%; Cabot, C&F Land Trust, -4.8%; Justice Mortgage, -6.0%; Hubbard REI, -6.6%; New Plan Realty, -7.1%; First Union Realty and Northwest Mutual Life Mtg., both -9.5%; Great American Mtg., -10.1%; Citizens & Southern Realty, -10.9%; Builders Investment Group, -12.0%; Western Mtg., -12.5%; Barnett-Winston, -12.8%.

We guard against buying issues blindly from either list. In the past two years, strongest performers in one year have not performed well the following year and in fact 1973's biggest loser, Fidelity Mortgage, was the fifth strongest performer in 1972. Conversely, depressed REITs seldom rally strongly in the following year because curing real estate problems generally takes two or more years. In future issues we will be suggesting additional ways to use this handy table for your investment selection.

Since New Year's Day, REIT shares have been relatively good performers in the market, reflecting lifting of year-end tax selling. This is a good omen since it comes in the teeth of the major bankruptcy of Walter J. Kassuba (see below) and some recent dividend reductions (such as Sutro Mortgage, which halved its dividend to \$0.20/share this week). Many REIT problems are those of slow sales or rentals in completed units; the gradual resumption of money for permanent mortgages we expect this year should remedy many of these situations. The big unknown is the attitude of commercial bank lenders, who may turn less ebullient in extending new credit to REITs this year. On balance we expect less aggressive growth in assets for 1974 but a gradual correction of problem loans.

#### KASSUBA BANKRUPTCY JUDGE SETS FEB. 5 HEARING DATE

The Federal judge hearing the Chapter XI bankruptcy protection petition of apartment developer Walter J. Kassuba has set a Feb. 5 hearing on continuation of his temporary restraining order to creditors. The order effectively halts mortgage lenders from foreclosing and according to lawyers close to the case, prevents holders of land leaseholds from cancelling their leases, even though the leases contain automatic cancellation clauses in case of bankruptcy.

Two other REITs have disclosed investments in Kassuba in addition to those listed in our Dec. 28 special bulletin. These REITs hold \$7.0 million of loans to Kassuba entities, as follows: Alison Mortgage, total of \$3.75 million, including two land loans totaling \$450,000; a \$1.6 million land loan participation, and a \$1.7 million wraparound. Mortgage Investors of Washington has \$3.23 million including a \$600,000 land loan and \$2.63 million in two completed Holidays Inns. State Mutual announced the property securing a \$2.7 million loan has been sold by Kassuba, with Kassuba entities operating the property.